UNDERWOOD LAW FIRM, P.C. Thomas C. Riney, SBN: 16935100

W. Heath Hendricks, SBN:

240556451

500 South Taylor, Suite 1200, LB 233

Amarillo, Texas 79101 Telephone: (806) 376-5613 Facsimile: (806) 379-0316 Email: tom.riney@uwlaw.com

Email: heath.hendricks@uwlaw.com

--and--

Michael R. Johnson (*Pro Hac Vice*) Matthew M. Cannon (*Pro Hac Vice*) Austin C. Nate (*Pro Hac Vice*) RAY QUINNEY & NEBEKER P.C. 36 South State Street, Suite 1400 Salt Lake City, Utah 84111

Telephone: (801) 532-1500 Facsimile: (801) 532-7543 Email: mjohnson@rqn.com Email: mcannon@rqn.com Email: anate@rqn.com

Attorneys for Rabo AgriFinance LLC

IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF TEXAS AMARILLO DIVISION

In re: MCCLAIN FEED YARD, INC., MCCLAIN FARMS, INC., AND 7M CATTLE FEEDERS, INC. Debtors.	CASE NO. 23-20084-swe7 Chapter No. 7 (Jointly Administered Cases)
In re: 2B FARMS, a Texas General Partnership, et al., Debtors.	CASE NO. 23-50096-swe12 Chapter No. 12 (Jointly Administered Cases)

AGTEXAS FARM CREDIT SERVICES, AGTEXAS, PCA and THORLAKSON DIAMOND T FEEDERS, LP,

Plaintiffs,

EDWARD DUFURRENA et al.,

Intervenor Plaintiffs,

v.

RABO AGRIFINANCE LLC et al.,

Defendants.

HTLF BANK, as successor to FIRST BANK & TRUST,

Plaintiff, Counter-Defendant, and Cross-Claim Defendant,

v.

2B FARMS, a Texas General Partnership, TERRY M. ROBINSON, and REBECCA A. ROBINSON,

Defendants, Counterclaim-Plaintiffs, Third-Party Plaintiffs and Third-Party Counterclaim Defendants,

v.

RABO AGRIFINANCE LLC and MECHANICS BANK,

Third-Party Defendants and, as to Rabo AgriFinance LLC only, Third-Party Counterclaim Plaintiff and Cross-Claim Plaintiff. ADVERSARY NO. 24-02007-swe

(Consolidated Adversary Proceeding)

ADVERSARY NO. 24-02007-swe

(Consolidated Adversary Proceeding)

RABO AGRIFINANCE LLC'S SHORT RESPONSE TO PLAINTIFFS' REPLY TO DEFENDANTS' RESPONSES TO EMERGENCY MOTION TO STAY MOTION TO EXTEND DEADLINES AND TO CONTINUE HEARINGS ON SAME

Defendant Rabo AgriFinance LLC ("Rabo"), through counsel, hereby submits its short response to *Plaintiffs' Reply to Defendants' Responses to Emergency Motion to Extend Deadlines and Continue Hearings* (Dkt. No. 167) (the "Reply").

SHORT RESPONSE

Rabo readily acknowledges that the parties have generally worked well together in addressing all procedural and substantive issues in this complicated bankruptcy proceeding. Rabo greatly appreciates this reality. And Rabo is committed to continue working cooperatively with all parties in this case going forward. Rabo's frustration with Plaintiffs' Motion here is that Plaintiffs are making the same arguments to the Court that Rabo raised to Plaintiffs when requesting that Rabo's response to the complaints be delayed until the issue of standing was resolved by the Court. Plaintiffs' Reply contends that the purported reason for Plaintiffs' refusal to grant Rabo the relief that Plaintiffs are now seeking from the Court is because Rabo presented a proposed order that also accounted for the other parties who were impacted by these deadlines. See generally Reply. As an initial matter, had the proposed order complained of been agreed to and entered, the Trustee's Motion to Intervene would have been fully briefed already, the parties would have been closer to a resolution of the standing issue, and the parties could have avoided this current dispute. (See Reply at Exhibit A.) In any event, Plaintiffs' Reply fails to account for the fact that before Rabo suggested and circulated the proposed order, Rabo had already asked Plaintiffs for an openended extension on Rabo's response deadline pending resolution of the standing issue, which request was denied by Plaintiffs. (See Exhibit 1 hereto.) Rabo is naturally disappointed that it was forced to incur significant costs in drafting motions to dismiss that may be rendered largely moot by this Court's ruling on the standing issue, especially where Rabo sought to avoid such potential waste by making the arguments to Plaintiffs that Plaintiffs are making to the Court here.

DATED: June 12, 2025.

UNDERWOOD LAW FIRM, P.C. Thomas C. Riney, SBN: 16935100 W. Heath Hendricks, SBN: 240556451 500 South Taylor, Suite 1200, LB 233

Amarillo, Texas 79101 Telephone: (806) 376-5613 Facsimile: (806) 379-0316 Email: tom.riney@uwlaw.com

Email: <u>heath.hendricks@uwlaw.com</u>

--and—

RAY QUINNEY & NEBEKER P.C. Michael R. Johnson (*Pro Hac Vice*) Matthew M. Cannon (*Pro Hac Vice*) Austin C. Nate (*Pro Hac Vice*) 36 South State, Suite 1400 Salt Lake City, UT 84111 Telephone: (801) 532-1500

Facsimile: (801) 532-7543
Email: mjohnson@rqn.com
Email: mcannon@rqn.com
Email: anate@rqn.com

/s/ Michael R. Johnson

Michael R. Johnson

Attorneys for Rabo AgriFinance LLC

Case 24-02007-swe Doc 171 Filed 06/12/25 Entered 06/12/25 10:49:04 Desc Main Document Page 5 of 9

CERTIFICATE OF SERVICE

I hereby certify that on June 12, 2025, the foregoing document was filed with the Clerk of the Court using the CM/ECF system, which sent notice of electronic filing to all electronic filing users in this case.

/s/ Michael R. Johnson
Michael R. Johnson

1712312

Exhibit 1

Case 24-02007-swe Doc 171 Filed 06/12/25 Entered 06/12/25 10:49:04 Desc Main Document Page 7 of 9

From: <u>Michael Johnson</u>

To: David LeBas; John H. Lovell; Heath Hendricks (heath.hendricks@uwlaw.com); John Massouh

(john.massouh@sprouselaw.com); Josh Kundert; abel@leal.law; Illmer, Rick; amiller@cdmlaw.com; Timothy

Pridmore (tpridmore@mcjllp.com); tjohnston@mcjllp.com; jim@bradburycounsel.com

Cc: W. Heath Hendricks - Underwood Law Firm (heath.hendricks@uwlaw.com); Matthew Cannon; Hudson Jobe

(hjobe@jobelawpllc.com); Alan Dabdoub

Subject: RE: McClain-Consolidated Adversary Proceeding (Adv. No. 24-02007)

Date: Monday, March 31, 2025 5:02:30 PM

Thanks David. That makes sense. Everyone else, any objection to the extension to May 2 to give us all time to see what Kent Ries may file and how it may impact claims in this case?

Michael Johnson | Ray Quinney & Nebeker P.C. | 36 South State Street, Suite 1400 | Salt Lake City, Utah 84111 Direct: +1 (801) 323-3363 | Facsimile: +1 (801) 532-7543 | www.rgn.com| vCard

This email is from a law firm and may contain privileged or confidential information. Any unauthorized disclosure, distribution, or other use of this email and its contents is prohibited. If you are not the intended recipient, please contact the sender and delete this email. Thank you.

From: David LeBas < DLeBas@namanhowell.com>

Sent: Monday, March 31, 2025 4:58 PM

To: Michael Johnson <MJohnson@rqn.com>; John H. Lovell <john@lovell-law.net>; Heath Hendricks (heath.hendricks@uwlaw.com) <heath.hendricks@uwlaw.com>; John Massouh (john.massouh@sprouselaw.com) <john.massouh@sprouselaw.com>; Josh Kundert <josh.kundert@sprouselaw.com>; abel@leal.law; Illmer, Rick <Rick.Illmer@huschblackwell.com>; amiller@cdmlaw.com; Timothy Pridmore (tpridmore@mcjllp.com) <tpridmore@mcjllp.com>; tjohnston@mcjllp.com; jim@bradburycounsel.com

Cc: W. Heath Hendricks - Underwood Law Firm (heath.hendricks@uwlaw.com) <heath.hendricks@uwlaw.com>; Matthew Cannon <mcannon@rqn.com>; Hudson Jobe (hjobe@jobelawpllc.com) <hjobe@jobelawpllc.com>; Alan Dabdoub <adabdoub@lynnllp.com>

Subject: RE: McClain-Consolidated Adversary Proceeding (Adv. No. 24-02007)

This Message Is From an External Sender

This message came from outside your organization.

Mike,

Plaintiffs AgTexas and Diamond T are not willing to grant an open-ended deadline but are willing to grant a 28-day extension of Rabo's response deadline, to Friday, May 2.

David L. LeBas

Naman Howell Smith & Lee, PLLC 8310 N. Capital of Texas Highway, Suite 490 Austin, Texas 78731 | 512.807.2460 | 806.679.6641 cell | 512.474.1901 fax dlebas@namanhowell.com

From: Michael Johnson < MJohnson@rqn.com > Sent: Monday, March 31, 2025 11:27 AM

To: John H. Lovell < <u>john@lovell-law.net</u>>; Heath Hendricks (<u>heath.hendricks@uwlaw.com</u>) < <u>heath.hendricks@uwlaw.com</u>>; David LeBas < <u>DLeBas@namanhowell.com</u>>; John Massouh

(john.massouh@sprouselaw.com) <john.massouh@sprouselaw.com>; Josh Kundert <josh.kundert@sprouselaw.com>; abel@leal.law; Illmer, Rick <Rick.Illmer@huschblackwell.com>; amiller@cdmlaw.com; Timothy Pridmore (tpridmore@mcjllp.com) <tpridmore@mcjllp.com>; tiohnston@mcjllp.com; jim@bradburycounsel.com

Cc: W. Heath Hendricks - Underwood Law Firm (heath.hendricks@uwlaw.com); Matthew Cannon mcannon@rqn.com); Hudson Jobe (hjobe@jobelawpllc.com); Alan Dabdoub adabdoub@lynnllp.com)

Subject: McClain-Consolidated Adversary Proceeding (Adv. No. 24-02007)

Importance: High

Dear Counsel:

I believe Rabo's current deadline to answer or otherwise respond to the amended complaints filed by the 2B Parties and by AgTexas and the intervenor parties in the consolidated adversary proceeding (the "AP") is this coming Friday, April 4. Last Thursday I had a call with Hudson Jobe, counsel for Kent Ries, Trustee, regarding the AP. I have copied Hudson and Alan Dabdoub on this email. As you know, the Trustee has now filed two adversary proceedings, one against many of your clients, and another against Rabo, Mechanics Bank, HTLF and CFSB. Hudson informed me on the call that the Trustee will shortly be filing a new motion to intervene in the AP, and will allege that most of the claims that have already been asserted (and that will be asserted by Rabo and perhaps others against some of the parties who are suing it) are claims belonging to the McClain bankruptcy estate, that only the Chapter 7 trustee has standing to pursue those claims, and that the pursuit of such claims by the parties in the AP is in violation of the automatic stay. My further understanding is that the Trustee will be filing his intervention motion in the next week or two (Hudson or Alan, please clarify if this is not correct). It seems to us that deciding the preliminary issue of ownership of claims and standing to sue is a critical threshold issue that needs to be resolved for the benefit of everyone. Indeed, Rabo, Mechanics Bank and HTLF are currently facing substantially similar state law claims in two separate lawsuits. Further, as noted above, if and when Rabo answers the complaints in the AP it would intend on asserting state law claims (conspiracy, aiding & abetting, etc.) against at least some of the "investor parties" that would be similar to those it asserted against Bo Robinson and HTLF in response to the 2B/Bo Robinson original third party complaint filed against Rabo and Mechanics Bank.

I would request from all parties an open-ended extension of Rabo's time to respond to the filed complaints in the AP until such time as the Bankruptcy Court can rule on the Trustee's forthcoming motion to intervene, enforce the automatic stay, etc. I assume that Mechanics Bank and HTLF would also support the request, but I will defer to John Lovell and Rick Illmer on that. If and to the extent the parties are unwilling to grant an open-ended extension, I would alternatively request a 28-day extension of Rabo's response deadline, to Friday, May 2, to give us all time to review whatever motion or other papers the Trustee will be filing in the AP and decide what approach should be taken in response to those papers.

Can you please let me know by the end of the day on Tuesday? If anyone believes it would be beneficial to have a Teams call to discuss these developments I am happy to do so.

Thank you.

Michael Johnson | Ray Quinney & Nebeker P.C. | 36 South State Street, Suite 1400 | Salt Lake City, Utah 84111 Direct: +1 (801) 323-3363 | Facsimile: +1 (801) 532-7543 | www.rgn.com| vCard

This email is from a law firm and may contain privileged or confidential information. Any unauthorized disclosure, distribution, or other use of this email and its contents is prohibited. If you are not the intended recipient, please contact the sender and delete this email. Thank you.

Disclaimer

Important/Confidential: This communication and any files or documents attached to it are intended only for the use of the person or entity to which it is addressed. It contains information that may be privileged, confidential and exempt from disclosure under applicable law. If you are the intended recipient, please be aware that forwarding this message to others may result in a waiver of these privileges. If you are not the intended recipient of this communication, you are hereby notified that the copying, distribution or other use of this communication is strictly prohibited. If you have received this communication by mistake, please notify the sender immediately by electronic mail and destroy all forms of this communication (electronic or paper). Thank you.